



Chemesis International Inc. to Introduce Tobacco-Free Smokeless Cannabis Chew

Chemesis' to bring manufacturing and distribution of tobacco-free, smokeless cannabis chew to the United States, Puerto Rico and Canada.

August 12, 2019

Vancouver, BC – Chemesis International Inc. (CSE: [CSI](#)) (OTC: [CADMF](#)) (FRA: [CWAA](#)) (the “Company” or “Chemesis”), announces that it will begin to manufacture, package and distribute its own line of tobacco-free smokeless cannabis and hemp derived chew with initial launch and commercialization in the United States, Puerto Rico and Canada. The Company continues to build out a unique portfolio of proprietary and patented delivery methods for cannabinoids including THC and CBD.

This new product offering will provide consumers a smoke-free alternative that has precise dosing and which is convenient and discrete. The product will also offer quick onset through absorption via oral lining directly to the buccal artery, a delivery method that bypasses the liver, and in addition to providing users a fast onset.

The new hemp derived chew product, which is non-psychoactive, will be available in multiple flavors and is expected to represent a healthier alternative to the tobacco-based chews in the marketplace today.

The Company sees significant global demand for smokeless tobacco products, and notes that [Grand View Market Research](#) has valued such market demand at approximately US \$13.6 billion, with an expectation that it will expand at a compound annual growth rate of 7.2% 2019-2025.

The Company has begun the process through the acquisition of novel manufacturing equipment and intellectual property. Chemesis will initially install manufacturing equipment in its California and Puerto Rico licensed facilities, which will allow the Company to manufacture THC and CBD based products for state by state distribution and hemp based products for the global marketplace. Customers can expect these products to be available for purchase by early Q4 2019.

Early research that has been published by the National Institute of Health (“NIH”) shows CBD has psychological properties that are suggestive of a potentially ideal drug for smoking cessation. The research team notes that, “CBD, a non-intoxicating cannabinoid found in cannabis, may be a promising novel smoking cessation treatment due to its anxiolytic properties, minimal side effects and research showing that it may modify drug cue salience.” Further studies are currently being performed to see the effects of CBD as a viable solution to help tobacco users move away from tobacco.¹

"We will continue to focus on building out innovative delivery and manufacturing capabilities," said Chemesis CEO, Edgar Montero. "Chemesis has put significant efforts into building a wide and differentiated product portfolio, such as our partnership with [Rapid Dose](#), which brings Quickstrip™ Oral Thin Strips to markets across the United States. These differentiated products align well and are symbiotic of the Company's focus on building out its retail dispensary footprint. We believe these products will position the Company's retail dispensaries at the forefront of what is becoming a crowded and

¹ [National Institute of Health](#)





competitive marketplace giving them a unique offering for their clients, while positioning the dispensaries to increase profit margins."

On Behalf of The Board of Directors

Edgar Montero
CEO and Director

About Chemesis International Inc.

Chemesis International Inc. is a vertically integrated U.S. Multi-State operator with International operations in Puerto Rico and Colombia.

The Company focuses on prudent capital allocation to ensure it maintains a first mover advantage as it enters new markets and is committed to differentiate itself by deploying resources in markets with major opportunities. The Company operates a portfolio of brands that cater to a wide community of cannabis consumers, with focus on quality and consistency.

Chemesis has facilities in both Puerto Rico and California and is in the process of constructing a GMP certified facility in Colombia. Chemesis' Puerto Rico operations are licensed to operate 100,000 ft² of cultivation, and 35,000 ft² of manufacturing floor space. The Company is positioned to win additional licenses in highly competitive merit-based US states and will expand its footprint to ensure it maintains a first mover advantage.

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Forward-Looking Information: *This news release contains "forward-looking information" within the meaning of applicable securities laws relating to statements regarding the Company's business, products and future of the Company's business, its product offerings and plans for sales and marketing, including finalizing an acquisition in Colombia, including with respect to its expected ability to produce and launch commercial sales of a tobacco-free, smokeless chew by Q4 2019 (or at all), the potential size of the market for such products, the potential health benefits of such products, and its ability to acquire any new cannabis production or distribution licenses, and to expand its retail dispensary network. Although the Company believes that the expectations reflected in the forward-looking information are reasonable, there can be no assurance that such expectations will prove to be correct. Readers are cautioned not to place undue reliance on forward-looking information. Such forward-looking statements are subject to risks and uncertainties that may cause actual results, performance and developments to differ materially from those contemplated by these statements depending on, among other things, the risks that the Company's products and plan will vary from those stated in this news release, including that it may not be successful in producing or launching commercial sales of a tobacco-free, smokeless chew by Q4 2019 (or at all), that significant market demand for such products may not materialize, that such products may not carry the expected (or any) potential health benefits over tobacco-containing chews already on the market, that it may be unable to acquire any new cannabis*





production or distribution licenses or to expand its retail dispensary network, and generally that the Company may not be able to carry out its business plans as expected. Except as required by law, the Company expressly disclaims any obligation and does not intend to update any forward-looking statements or forward-looking information in this news release. Although the Company believes that the expectations reflected in the forward-looking information are reasonable, there can be no assurance that such expectations will prove to be correct and makes no reference to profitability based on sales reported. The statements in this news release are made as of the date of this release.

The CSE has not reviewed, approved or disapproved the content of this press release

